Listing of Claims:

1-23. (canceled)

24. (currently amended) An acousto-optical add/drop multiplexer, comprising:
an acousto-optical switch on a birefringent and photoelastic substrate, the acousto optical switch comprising:
a first optical port on a substrate coupled to a first polarization splitter;
a first acousto-optical polarization conversion region (U) including a first optical waveguide branch optically coupled between the first polarization splitter and a second polarization splitter;
a second acousto-optical polarization conversion region (L) including a second optical waveguide branch optically coupled between the first polarization splitter and a second polarization splitter;
second and third optical ports coupled to the second polarization splitter,
a first circulator having, in order of rotation, an input port, a switch port coupled to the first optical port, and an output port;
a reflecting device coupled to the second optical port; and
~~The acousto-optical add/drop multiplexer of claim 23, further comprising~~ a second circulator having, in order of rotation, a filter port coupled to the third optical port, a drop port, and an add port.

25. (currently amended) The acousto-optical add/drop multiplexer of claim ~~23~~24, wherein the first polarization splitter has cross and bar transmission, respectively, for orthogonal polarization components of received light.

26. (currently amended) The acousto-optical add/drop multiplexer of claim ~~23~~24, further comprising:
a first transducer within the acousto-optical switch acoustically coupled to the first polarization conversion region and to an RF source, the first transducer generating a first acoustic wave in the first polarization conversion region having a characteristic frequency determined by the RF source.

27. (previously presented) The acousto-optical add/drop multiplexer of claim 26, further comprising:
a second transducer within the acousto-optical switch acoustically coupled to the second polarization conversion region and to the RF source, the second transducer generating a second acoustic wave in the second polarization conversion region having its characteristic frequency with a propagation direction opposite to a propagation direction of the first acoustic wave.

28. (currently amended) The acousto-optical multiplexer of claim ~~23~~24, wherein the reflecting device is coupled to the second optical port via an optical fiber.

29. (currently amended) The acousto-optical add/drop multiplexer of claim ~~23~~24, wherein the reflecting device is integrated on a substrate at the second optical port.

30. (previously presented) The acousto-optical add/drop multiplexer of claim 29, wherein an edge of a substrate at the second and third optical port is slant-polished and an optical waveguide coupled to the second optical port within the substrate is positioned substantially normal to said edge.

31. (currently amended) The acousto-optical add/drop multiplexer of claim ~~23~~24, further comprising:

a polarization-mode-dispersion compensator coupled between the reflecting device and the second optical port.

32. (previously presented) The acousto-optical add/drop multiplexer of claim 31, wherein the polarization-mode-dispersion compensator is a birefringent element.

33. (previously presented) The acousto-optical add/drop multiplexer of claim 32, wherein the birefringent element is one of a polarization-maintaining fiber and a birefringent crystal.

34. (previously presented) The acousto-optical add/drop multiplexer of claim 31, wherein the polarization-mode-dispersion compensator is one of a Faraday rotator and a quarter-wave plate.

35. (previously presented) The acousto-optical add/drop multiplexer of claim 24, further comprising:

a first polarization-mode-dispersion compensator coupled between the filter port of the second circulator and the third optical port of the switch; and

a second polarization-mode-dispersion compensator coupled between the switch port of the first calculator and the first optical port of the switch.

36. (previously presented) The acousto-optical add/drop multiplexer of claim 24, further comprising:

a second acousto-optical switch formed on the same substrate as the acousto-optical switch comprising:

a fourth optical port coupled to the drop port of the second circulator,

third and forth polarization conversion regions (U,L), respectively, optically coupled between third and fourth optical polarization splitters, and

a fifth optical port coupled to the fourth optical splitter.

37. (previously presented) The acousto-optical add/drop multiplexer of claim 36, further comprising:

a third acousto-optical switch formed on the same substrate as the acousto-optical switch, comprising:

a sixth optical port coupled to the add port of the second circulator,

fifth and sixth polarization conversion regions (U,L), respectively, coupled between fifth and sixth optical polarization splitters, and a seventh optical port coupled to the fifth optical splitter.

38. (canceled)

39. (canceled)

40. (canceled)

41. (previously presented) A method of multiplexing optical channels, comprising the steps of:

providing a line optical channel at a first wavelength to an acousto-optical switch having a first polarization splitter and a polarization conversion stage connected between the first polarization splitter and a second polarization splitter;

switching said line optical channel to a first arm of the second polarization splitter;

reflecting said line optical channel back through the switch via the first arm;

adding to a second arm of the second polarization splitter a new channel at a wavelength different from said first wavelength; and

combining the new channel and the line optical channel at an output of the switch coupled to the first polarization splitter.

42. (previously presented) The method of claim 41, wherein the adding step comprises the substep of:

separating said new channel from a different plurality of optical channels in another acousto-optical switch.

43. (previously presented) A method of dropping optical channels, comprising the steps of:

providing a plurality of optical channels to an acousto-optical switch having a first polarization splitter and a polarization conversion stage connected between the first polarization splitter and a second polarization splitter;

switching at least one of the optical channels to a first arm of the second polarization splitter and other of the optical channels to a second arm of the second polarization splitter:

reflecting the other of the optical channels back through the switch via the second arm; and

dropping said at least one of the optical channel from said first arm of the second polarization splitter.

44. (previously presented) The method of claim 43, wherein the dropping step comprises the substep of:

passing the at least one of the optical channels to another acousto-optical switch for addition to a different plurality of optical channels.